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TO RUEHC/SECSTATE WASHDC IMMEDIATE 4743
INFO RUEHFR/AMEMBASSY PARIS PRIORITY 0704
RUEHTV/AMEMBASSY TEL AVIV PRIORITY 1134
RUEHJM/AMCONSUL JERUSALEM PRIORITY 0242
RUCNDT/USMISSION USUN NEW YORK PRIORITY 0173
RUEHBS/USEU BRUSSELS PRIORITY

C O N F I D E N T I A L BERN 001131

SIPDIS

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DEPT FOR NEA/IPA (BELGRADE), EEB/IFD/ODF (DEMARCELLUS), AND
EUR/AGS

E.O. 12958: DECL: 12/11/2017

TAGS: [PREF](#) [PGOV](#) [KWBG](#) [KPAL](#) [IS](#) [SZ](#)

SUBJECT: PARIS DONORS CONFERENCE: SWISS PLANNING SENIOR
REPRESENTATION AND TO MAINTAIN CURRENT DONATION LEVEL (USD
18 MILLION BASELINE PER ANNUM)

REF: STATE 163955

Classified By: Poloff Chris Buck; reasons 1.4(b) and (d).

11. (SBU) DCM met with MFA Middle East Division Chief Livia Leu on December 10 and delivered the message in reftel, urging the GOS to send ministerial-level representation to the December 17 Donors Conference and to be prepared to announce major new assistance pledges to the Palestinians. Leu underlined Switzerland's interest in the Israeli-Palestinian peace negotiations, and asked for any details the USG could share regarding plans for the December 12 Steering Committee meeting. She reported that FM Calmy-Rey plans to attend the Paris Donors Conference, and Switzerland therefore "would be represented at the highest level" (since Calmy-Rey also concurrently serves as Swiss President until the end of the year).

12. (C) Regarding Swiss plans for future assistance to the Palestinians, Leu turned to Giancarlo de Picciotto, Senior Advisor for Middle East and Northern Africa, Swiss Agency for Development and Cooperation (SDC), for the details. de Picciotto said that Switzerland is not in a position to increase its budgetary contributions to the Palestinians, so there would not be a major increase in Swiss donations. He emphasized, however, that the GOS will seek to maintain its current level of donations to the Palestinians, with an annual baseline of approximately USD 18 million (CHF 20 million), over the next three calendar years. Beyond the USD 18 million annual baseline, the GOS will look for opportunities to provide additional funding, as it has in in 2007, during which it will provide an additional USD 6 million. de Picciotto said that total Swiss donations to the Palestinians for 2007 will be approximately USD 24 million, divided as follows: USD 9 million in development assistance, USD 9 million in humanitarian assistance, USD 3.6 million to UNRWA, and USD 2.4 to the World Bank Emergency Service Support Program fund.

13. (C) de Picciotto also clarified that the GOS does not provide support only to the Palestinian Authority (PA), but also works through NGOs and private sector organizations. Regarding the pressing need for cash assistance to the PA budget, de Picciotto and Leu both emphasized that it is extremely rare for the GOS to provide assistance in the form of direct budgetary support, due to oversight concerns. They said they would not expect the GOS to provide direct budgetary support to the PA, but said that support via trust fund mechanisms generally would be more acceptable from the

Swiss perspective. de Picciotto noted that GOS planning for 2008 is already set, but he anticipates that Switzerland likely will revise its donation strategy in 2009, with a view to better coordinating it with the Palestinian Reform and Development Plan.

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